

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 45

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO INCOME TAX CREDITS FOR CHARITABLE CONTRIBUTIONS; AMENDING SECTION 63-3029A, IDAHO CODE, TO REMOVE A REFERENCE TO THE STATE BOARD OF EDUCATION AND TO REVISE A DEFINITION; REPEALING SECTION 3, CHAPTER 354, LAWS OF 2010, RELATING TO THE REPEAL OF A CERTAIN CODE SECTION; REPEALING SECTION 63-3029A, IDAHO CODE, AS ENACTED BY SECTION 4, CHAPTER 354, LAWS OF 2010, RELATING TO INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS AND LIMITATIONS; AND AMENDING SECTION 5, CHAPTER 354, LAWS OF 2010, TO REMOVE AN EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 63-3029A, Idaho Code, be, and the same is hereby amended to read as follows:

63-3029A. INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS -- LIMITATION. At the election of the taxpayer, there shall be allowed, subject to the applicable limitations provided herein, as a credit against the income tax imposed by chapter 30, title 63, Idaho Code, an amount equal to fifty percent (50%) of the aggregate amount of charitable contributions made by such taxpayer during the year to a nonprofit corporation, fund, foundation, trust, or association organized and operated exclusively for the benefit of institutions of higher learning located within the state of Idaho, including a university related research park, to nonprofit private or public institutions of elementary, secondary, or higher education or their foundations located within the state of Idaho, to a nonprofit corporation, fund, foundation, trust or association which is: (i) organized and operated exclusively for the benefit of elementary or secondary education institutions located within the state of Idaho; (ii) officially recognized and designated as any such elementary or secondary education institution's sole designated supporting organization; and (iii) qualified to be exempt from federal taxation under the terms of section 501(c)(3) of the Internal Revenue Code, to Idaho education public broadcast system foundations within the state of Idaho, to the Idaho state historical society or its foundation, to the council for the deaf and hard of hearing, to the developmental disabilities council, to the commission for the blind and visually impaired, to the commission on Hispanic affairs, to the state independent living council, to the Idaho commission for libraries and to public libraries or their foundations and library districts or their foundations located within the state of Idaho, to nonprofit public or private museums or their foundations located within the state of Idaho and to dedicated accounts within the Idaho community foundation inc. that exclusively support the charitable purposes otherwise qualifying for the tax credit authorized under the provisions of this section.

(1) In the case of a taxpayer other than a corporation, the amount allowable as a credit under this section for any taxable year shall not exceed

1 fifty percent (50%) of such taxpayer's total income tax liability imposed by  
 2 section 63-3024, Idaho Code, for the year, or five hundred dollars (\$500),  
 3 whichever is less.

4 (2) In the case of a corporation, the amount allowable as a credit un-  
 5 der this section for any taxable year shall not exceed ten percent (10%) of  
 6 such corporation's total income or franchise tax liability imposed by sec-  
 7 tions 63-3025 and 63-3025A, Idaho Code, for the year, or five thousand dol-  
 8 lars (\$5,000), whichever is less.

9 For the purposes of this section, "contribution" means monetary dona-  
 10 tions reduced by the value of any benefit received in return such as food, en-  
 11 tertainment or merchandise.

12 For the purposes of this section, "institution of higher learning"  
 13 means only an educational institution located within this state meeting all  
 14 of the following requirements:

15 (a) It maintains a regular faculty and curriculum and has a regularly  
 16 enrolled body of students in attendance at the place where its educa-  
 17 tional activities are carried on.

18 (b) It regularly offers education above the twelfth grade.

19 (c) It is accredited by the northwest association of schools and col-  
 20 leges, ~~or by the state board of education.~~

21 For the purposes of this section, a nonprofit institution of secondary  
 22 or higher education means a private nonprofit secondary or higher educa-  
 23 tional institution located within the state of Idaho, which is accredited by  
 24 the northwest association of schools and colleges, or accredited by a body  
 25 approved by the state board of education. A nonprofit private institution  
 26 of elementary education means a private nonprofit elementary educational  
 27 institution located within the state of Idaho and approved by the state board  
 28 of education.

29 SECTION 2. That Section 3, Chapter 354, Laws of 2010, be, and the same is  
 30 hereby repealed.

31 SECTION 3. That Section 63-3029A, Idaho Code, as enacted by Section 4,  
 32 Chapter 354, Laws of 2010, be, and the same is hereby repealed.

33 SECTION 4. That Section 5, Chapter 354, Laws of 2010, be, and the same is  
 34 hereby amended to read as follows:

35 SECTION 5. This act shall be in full force and effect on and after Jan-  
 36 uary 1, 2011. ~~Sections 3 and 4 of this act shall be in full force and effect on~~  
 37 ~~and after January 1, 2016.~~